

REMARKS

The present amendment is submitted in response to the Office Action dated February 16, 2007, which set a three-month period for response, making this amendment due by May 16, 2007.

Claims 1-5 are pending in this application.

In the Office Action, the drawings were objected to for an informality. Claims 1-4 were rejected under 35 U.S.C. 101 on grounds the claimed invention is directed to non-statutory subject matter. Claim 2 was objected to for an informality.

The Applicant notes with appreciation the allowance of claims 1-4, if the rejection under Section 101 is addressed.

In the present amendment, Fig. 1 has been amended to label the blocks as requested.

Claim 2 was amended to address the objection by correcting a typographical error in the formula.

To address the rejection under Section 101, claim 1 was amended to add the step that "*the phase signals are evaluated and the angle or path of the linearly or rotationally displaced component is determined based on the value of the quality level (R)*". The Applicants respectfully submit that the amendment to claim 1 overcomes the rejection under Section 101 by including a practical application and/or a useful, concrete and tangible result for the method steps.

Claim 4 was amended to claim simply “means” for performing the method of claim 1. New claim 5 was added, which defines the physical elements of the means of claim 4. Because amended claim 1 is allowable over the rejection under Section 101, each of claims 2-5 is also allowable by depending on amended claim 1.

The application in its amended state is believed to be in condition for allowance. Action to this end is courteously solicited.

Should the Examiner have any further comments or suggestions, the undersigned would very much welcome a telephone call in order to discuss appropriate claim language that will place the application into condition for allowance.

Respectfully submitted,

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